

REMARKS

Claims 16-31 remain pending in this application. None of the claims have been amended in this response.

Claims 16-31 were rejected under 35 U.S.C. §103(a) as being unpatentable over *Chen* (US Patent No. 6,208,693). The Applicants respectfully traverse the rejection. Favorable reconsideration is respectfully requested.

Specifically, *Chen* does not disclose "segmenting the picture into at least a first picture object and a second picture object, at least one picture block being assigned to at least a part of an edge of the first picture object . . . coding the picture objects with different quality; assigning a quality specification indicating the quality with which a picture object is coded to at least one macroblock contained in the corresponding picture object; and determining the quality by a spatial resolution" as recited in claim 16 and similarly recited in claim 26 and 31.

Instead, *Chen* discloses a technique for implicitly encoding shape information by using a chrome-key color (see Abstract). *Chen* teaches that a picture is segmented in several video objects (FIG. 3), however the disclosure in *Chen* solely focuses on encoding the shape of one video object. As mentioned previously, the present claims require "segmenting the picture into at least a first picture object and a second picture object, at least one picture block being assigned to at least a part of an edge of the first picture object." This means that an entire picture block is at least part of the first picture object if this picture object covers at least a part of the edge of the first picture object.

However, *Chen* teaches to code boundary blocks, which cover an edge of the video object, in a special way, where a boundary block is defined as a block that is assigned to more than one video object (col. 2 line 51 - col. 3 line 11). Accordingly, *Chen* does not teach or suggest assigning an entire picture block that covers an edge of the first picture object, to the first picture object. Moreover, as it is the main object of *Chen* to provide a shape information coding for boundary blocks, the disclosure teaches away from the present claims, since they recite the processing of a digitized picture without such boundary blocks.

Also, *Chen* discusses in col. 8 lines 48-61 that "a finer quantization for boundary blocks can be specified," and that "VOP_quant specifies the number of quantization levels for macroblocks inside the object and bound_quant specifies the number of quantization levels for

boundary macroblocks". Accordingly, this indicates that inside a video object, different quantization levels are occurring.

The Office Action also states in the last sentence of the first paragraph of page 3 of the Non-Final Office Action that "... motivated by *Chen's* teaching that each object can be quantized with different step sizes", see *Chen* col. 8 lines 48-61. However, Applicants note that this passage only addresses the quantization levels for macroblocks and boundary blocks Inside the object. This passage does not give any indication how to use the quantization for several video objects. The present claims recite that the picture objects are coded with different quality and the quality is determined by a spatial resolution. Accordingly, the first and second picture object are coded with different spatial resolution. The disclosure of *Chen* only discloses the coding of a single video object and does not address coding several video objects. Therefore there is no teaching in *Chen* for a skilled person in the art to code several video objects with different quality. Moreover *Chen* does not give any indication that several video objects are coded with different spatial resolution quality.

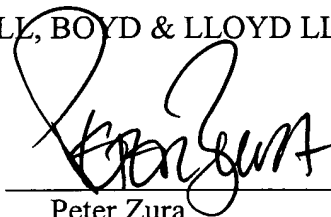
For at least these reasons, the Applicants submit that the rejection under 35 U.S.C. §103 is improper and should be withdrawn. An early Notice of Allowance is earnestly requested.

If any fees are due in connection with this application as a whole, the Examiner is authorized to deduct such fees from deposit account no. 02-1818. If such a deduction is made, please indicate the attorney docket number (112740-446) on the account statement.

Respectfully submitted,

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